GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:3480
ANSWERED ON:08.08.2017
Reforms in Crop Insurance Scheme
K. Shri Parasuraman

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government has brought in several reforms in the crop insurance scheme so as to benefit maximum number of farmers;

(b) if so, the details thereof;

(c) whether the loss due to climate has also been included as one of the criteria for availing the benefit of crop insurance; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

???? ??? ????? ?????? ???????? ??? ????? ?????? (SHRI PARSHOTTAM RUPALA)

(a) to (d): Yes, Madam. After review of erstwhile Crop Insurance Schemes, Government has launched yield based Pradhan Mantri Fasal Bima Yojana (PMFBY) and weather index based Restructured Weather Based Crop Insurance Scheme (RWBCIS) from Kharif 2016 season. While assessment of claims under PMFBY is made based on the yield loss due to non-preventable natural risks like flood, drought etc. under RWBCIS assessment of claims is based on weather parameters. To make the scheme advantageous for farmers, many innovative solutions have been incorporated in the new schemes, which include comprehensive crop insurance under PMFBY from pre-sowing to post harvest losses against non-preventable natural risks at extremely low maximum premium rate for farmers of 2% for Kharif crops, 1.5% for Rabi Crop and 5% for annual commercial/horticultural crops, which premium rates are also applicable under RWBCIS. The balance of actuarial/bidded premium is shared by the Central and State Government on 50 : 50 basis. Further, not only has cap on premium, which had earlier led to reduction in sum insured been removed under both schemes, but sum insured has been made equal to the Scale of Finance, thereby providing maximum risk coverage to the farmers. In an effort to provide more realistic assessment of losses, the unit area of insurance has been reduced from Tehsil/district level to village/village panchayat level for major crops and to individual farm level for localised risks of hailstorm, landslide and inundation.

****